

REPORT OF THE DIRECTORS
OF THE
BOSTON AND MAINE RAILROAD
TO THE
STOCKHOLDERS,

WEDNESDAY, DECEMBER 10, 1870.

BOSTON:
ALFRED RODGE & SON, PRINTERS,
131 SCHOOL STREET.
1870.

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OFFICERS.

DIRECTORS.

NATHANIEL G. WHITE LAWRENCE.
GEORGE C. LORD BOSTON.
AMOS PAUL SO. NEWMARKET, N. H.
NATHANIEL J. BRADLEE . . . BOSTON.
WILLIAM S. STEVENS DOVER, N. H.
JAMES R. NICHOLS HAVERHILL.
JOHN FELT OSGOOD BOSTON.
SAMUEL E. SPRING PORTLAND, ME.
NATHANIEL W. FARWELL . . . LEWISTON, ME.

PRESIDENT.

NATHANIEL G. WHITE.

GENERAL SUPERINTENDENT.

JAMES T. FURBER.

TREASURER.

AMOS BLANCHARD.

CLERK.

CHAUNCEY P. JUDD.

AUDITOR.

WILLIAM P. PEIRCE.

FORTY-SIXTH ANNUAL REPORT.

To the Stockholders of the Boston and Maine Railroad:

THE directors respectfully submit the following report, exhibiting the result of the operations of the road for the twelve months ending Sept. 30, 1879: —

The gross receipts for twelve months ending

Sept. 30, 1879, were.	\$2,238,821 14
Operating expenses	\$1,241,213 52
Taxes paid	96,131 14
Rent of leased lines	87,200 00
Filling Prison Point Bay	17,410 82
	1,441,955 48

Leaving as net earnings for the year	\$796,865 66
Interest paid during the year	246,447 12
Leaving a balance of	\$550,418 54

The gross earnings of the twelve months ending

Sept. 30, 1878, were \$2,184,458 96

And the expenses for the same time, including

interest, taxes, and rent of leased lines 1,694,109 84

Showing a gain in the gross receipts of the

present year, as compared with the previous year, of 54,362 18

And a decrease in the operating expenses,

including interest, taxes, and rent of leased lines 23,118 06

SEP 25 1880 W

The balance for the year ending Sept. 30,	
1878, after paying interest, taxes, and all	
other expenses, was	\$490,349 12
Showing an increase in the net balance of the	
present, as compared with the previous	
year, of	60,069 42

Since our annual report for the year 1874, our gross receipts each year have fallen short of the year previous, and we have annually suggested as the cause of such decreased receipts the great and long-continued depression in all business. We have been compelled for so many years to repeat this statement, that we have become wearied with its recital; and now, for the first time in five years, we are pleased to be able to inform you that our income for the year 1879 is in excess of the year 1878 in the amount of \$54,362.18. This is not a large increase, it is true, but it is sufficient to indicate a turning of the tide; to encourage us to hope that the business of the country, so long dying, has taken a new lease of life, and that a more prosperous future awaits us. Everything indicates a change for the better. The staple products of the country—cotton, wheat, corn, potatoes, oats, and hay—show a largely increased production over the year 1878. Manufacturing interests of nearly all kinds show a decided improvement. The short crops in Europe the last year insure a greater demand abroad for the large surplus products of our own country, and compel us to believe that we are now entering upon an era of greater prosperity.

Railroads, from their earliest construction, have proved to be the promoters of new industries in those sections of country through which they pass, thus adding not only to their own profits, but to the profits of commerce and manufactures.

As business increases by the development of new enterprises along the line of well-established roads, new additions must occasionally be made to the rolling stock, to the station accommodations both in land and buildings, to the extension and increase of side tracks, and in some cases to the ultimate completion of a double track the whole length of its line. To accomplish this without increasing its construction account, and without trespassing upon the regular dividends to stockholders, should ever be the aim of railroad directors. It has been the object and purpose of your directors to manage your road in this way. This course will have the approval of every stockholder who desires regular dividends and a good and permanent investment. If a road is earning no more than its dividend and ordinary expenses of operating, the stockholders desire to know it. If, however, in the growth of business, the directors of a road find it necessary to add \$75,000 or \$100,000 to their means of doing this business more economically, and are able to pay for it out of the earnings of the road, beyond its dividends and expenses of every nature, the stockholders like to know *that* also. Your directors have from year to year, in their annual report to the stockholders, gone more into the details of improvements and expenditures than most other roads. This they have done that you might have such information as should enable you to judge for yourselves as to the value of your investment.

The increase of \$54,362.18 in our gross income for the year past, over the previous year, is an item of information easily understood and always acceptable to stockholders.

We have improved your equipment during the year by the purchase of four first-class engines — two of which are for passenger service, and two for switching and gravel trains — and two first-class passenger cars; and have constructed at our shops one new combined passenger and baggage car. Our road-bed, superstructure, and rolling stock are in first-class condition.

We have laid down during the year past $9\frac{2}{5}\frac{6}{2}\frac{8}{8}\frac{9}{0}$ miles of steel and $3\frac{4}{5}\frac{9}{2}\frac{6}{8}\frac{5}{0}$ miles of new iron rails. We have now $117\frac{3}{5}\frac{6}{2}\frac{3}{8}\frac{0}{0}$ miles of steel track. It has been the policy of your directors for a number of years past rather to purchase from 1,500 to 2,000 tons of steel annually to supply the place of iron worn out, than to attempt to cover the whole line with steel in any one year. By the former course we are enabled to charge from \$50,000 to \$75,000 annually to this account, and take the same from our earnings, without increasing our debt or disturbing dividends. If we had adopted the other course, viz., equipped our whole road with steel in any one year, we should have been obliged either to suspend dividends or incur an indebtedness of more than a half-million of dollars. The following are some of the changes which have occurred on your road during the past year. On the seventh day of November, 1878, our repair shops, located at Alton Bay, were destroyed by fire. But little work had been done there for several years past, and they have not been rebuilt. The buildings and machinery were fully covered by insurance. On the twelfth day of May, 1879, our bridge over Merry Meeting River, in the town of Alton, was totally destroyed by fire. Its place has been supplied by a most substantial iron bridge. In our last annual report we referred to the construction of a new passenger-house at North Lawrence: the same has been completed, and was opened to the public on the seventeenth day of March last. A large and convenient train-house has also been constructed at this point. The old passenger-house has been removed from its former site, and from it a large and conveniently located freight-house has been secured, which is very accessible to the principal business streets of the city, and can be approached without the delay and danger incident to the crossing of railroad tracks at grade. The whole grounds and freight-yards about said buildings have been substantially

paved with granite blocks, and the platforms permanently constructed with granite curbing and a covering of brick or concrete. The work is well done, and will require but little if any repairs for many years to come.

The business at Old Orchard Beach has increased much beyond our expectation. The accommodation provided at the outset for passengers at that point has proved to be entirely inadequate, and we have been compelled to expend a considerable sum of money in enlarging our business facilities. The passenger-station has been moved back twenty-five feet, thus adding that additional width to our platform in front of the station. The entire platform, extended and widened, is of granite curbing covered with concrete, and the whole surmounted with a most substantial and convenient veranda, thereby securing to the public the best railway watering-place accommodations in New England.

The passenger-station in Boston has been improved by erecting thereon a monitor top, securing thereby better ventilation, and much more light over our tracks.

The Union Depot at North Berwick Village, referred to in our last report, has been constructed, and is now used jointly with the Portland, Saco and Portsmouth Railroad, thereby giving better accommodation to the public, and reducing the expenses of both companies at this point. New turn-tables have been constructed at Somerville and Georgetown. New sheds for sheltering passengers have been erected at the transfer station in Portland.

Your double track extends from Boston to the Merrimack River at Haverhill. Its extension east of Haverhill has been the desire of your directors for many years, but the business depression has not warranted them in commencing this important work until now. With the increase in business during the last year and the brighter look for the future, they feel authorized to commence this work early next year, and

have accordingly appropriated from your earnings the sum of \$100,000 for this and other purposes. No addition has been made to your construction account during the past year, but that account has been slightly diminished by the sale of buildings at South Berwick Junction, no longer required for the use of the road.

Our floating debt has been reduced during the year, and stood, at the close of business on the thirtieth day of September, 1879, at \$12,009.08, none of which sum is due and payable.

The passenger and freight business of the past year, as compared with that of the year previous, stands as follows :

1878.

Passengers carried	.	.	.	.	.	4,564,171
“ “ one mile	.	.	.	.	.	64,292,723
Tons of freight carried	.	.	.	.	.	582,851
“ “ “ one mile	.	.	.	.	.	28,949,165

1879.

Passengers carried	.	.	.	.	.	4,572,175
“ “ one mile	.	.	.	.	.	64,974,753
Tons of freight carried	.	.	.	.	.	685,598
“ “ “ one mile	.	.	.	.	.	32,334,295

Showing a net gain of 8,004 passengers, and for one mile a net gain of 682,030; and in freight a gain of 102,747 tons, and for one mile a gain of 3,385,130 tons.

The Legislature of the State of Maine at its last session authorized the discontinuance of so much of our road as lies between the westerly side of Portland Street, in the village of South Berwick, and the junction of the Boston and Maine Railroad with the Portland, Saco and Portsmouth Railroad

at South Berwick Junction, so called, the same being about two miles of road, rendered useless by the construction of our extension to Portland. It has been discontinued, and a portion of the structures removed.

The records of locations of many of the railroads in Massachusetts, on file in the offices of the several clerks of the county commissioners, were found to be incomplete or insufficient, or in form inconvenient for reference or preservation. In all such cases, under the provisions of an Act of the Legislature of Massachusetts, approved April 9, 1878, railroad corporations were permitted, within a certain prescribed time, to file a new location of their road, or any part thereof, as the same existed on the first day of January, 1878. This corporation, under said Act, has made and filed a new location of its road in the counties of Suffolk, Middlesex, and Essex.

The filling of Prison Point Bay, which was begun in October, 1878, under the legislative Act of 1878, has been prosecuted with vigor, and will be completed, it is believed, within the three years named in the Act. While this is a work of great expense to this corporation, yet it will, when completed, add much available land for standing freight cars.

Considerable trestle-work in the town of Scarborough has been filled with earth during the year.

We have purchased recently about 61,000 square feet of land in the city of Lowell for freight purposes, at an expense of \$50,000. This land lies in immediate proximity to our passenger-house, and is most conveniently located for the laying of side-tracks, and the standing of cars for the receipt and delivery of bulk freight.

Our business relations with connecting roads are in general harmonious.

The location of the Lowell and Lawrence Railroad through

our freight-yard and repair-shops, in their extension of the same over the Merrimack River to North Lawrence, was not satisfactory to this road or calculated to increase the friendly relations of the two roads. The question of their legal right to take and appropriate to their use, property over which we had located our road, for the service of the public, was submitted by us to the decision of the highest judicial tribunal in the State. That tribunal, after a full consideration of the subject-matter, decided that their location over land previously located upon by this road was without right, illegal, and void. While this question was pending before the court, the Lowell and Lawrence Railroad were expending large sums of money for a bridge over Merrimack River, and for land accommodations, which they could not reach except they crossed our tracks and location. The decision of the court left them in an unfortunate position: they could see the promised land, but knew not how to reach it. In this dilemma they secured the passage of a special Act by the Legislature of Massachusetts, which should overcome the objection of the Supreme Court, and give them the right to cross our tracks at grade and take any part of our location that they might require for the extension of their road to North Lawrence. Your directors made no objection to an overhead-crossing by their road, but did object to a grade-crossing, with the full belief that it would be the most dangerous grade-crossing in the commonwealth, and that it was only a question of time when a fatal collision would occur at that point. Our objection was overruled, and a crossing of our tracks at that point at grade now exists under the compulsion of said Act.

The accounts of the treasurer have been examined by the auditor, Mr. Wm. P. Peirce, and he reports the same to be correct.

In presenting this annual report, your directors are grati-

fied that they are able to exhibit your property in a condition so favorable. No serious accident has happened during the year just closed, and we trust that a kind Providence will guard and protect us in the future from those great railroad disasters which so frequently shock the whole community.

Respectfully submitted,

By order of the Board,

N. G. WHITE, *President.*

Boston, Nov. 5, 1879.

Dr. *Profit and Loss Account for the Year ending Sept. 30, 1879.* Cr.

Dividend paid Nov. 15, 1878	\$210,000 00	Balance Sept. 30, 1878	\$1,502,226 29
Dividend paid May 15, 1879	210,000 00	Income this year	550,418 54
Sundry items charged off as of no value	3,651 42		
Balance	1,628,993 41		
	\$2,052,644 83		\$2,052,644 83
		Balance	\$1,628,993 41

Income and Expenditures for the Year ending Sept. 30, 1879.

ITEMS.	SEPT. 30, 1879.	
INCOME.		
Passengers	\$1,257,067	57
Freight	805,460	11
Mails	23,200	43
Expresses	64,119	99
Rents, etc.	66,408	35
Interest	22,555	69
		\$2,238,821 14
EXPENDITURES.		
Repairs Road	\$131,084	11
“ Bridges	13,149	22
“ Fences, Road Crossings & Signs	7,523	96
“ Buildings	82,606	56
“ Locomotives	86,547	31
“ Passenger and Baggage Cars	47,601	97
“ Merchandise Cars	33,993	45
Removing Ice and Snow	2,366	30
Switch, Gate, Signal, and Watch men	91,345	55
Passenger Expense	213,963	63
Freight “	212,128	02
Fuel and Water for Locomotives	173,566	07
Fuel for Stations and Shops	9,822	47
Renewal of Rails	27,268	51
Renewal of Ties	27,967	94
General Expense	41,279	89
Oil	13,598	58
Insurance	3,292	00
Telegraph	5,225	13
Waste	3,488	18
Gratuities and Damages	13,394	67
Dover and Winnipiseogee R. R. Rent	29,000	00
West Amesbury R. R. Rent	5,700	00
Lowell and Andover R. R. Rent	52,500	00
Taxes	96,131	14
Filling Prison Point Bay	17,410	82
		\$1,441,955 48
Less Interest		\$796,865 66
		246,447 12
		\$550,418 54
Less Dividend paid May 15, 1879	\$210,000	00
Less Dividend to be paid Nov. 15, 1879,	210,000	00
		\$130,418 54
Amount reserved for second track east of Haverhill, and other purposes		100,000 00
Amount earned this year above Expenditures, Reservation, and Dividends		\$30,418 54

1,609,619 miles run this year.

DR. *Treasurer's Balance Sheet, Sept. 30, 1879.*

ASSETS.

CONSTRUCTION.		
Grading and Masonry	\$2,681,096 81	
Bridges	936,649 40	
Superstructure, including Rails	1,897,807 33	
Land, Land Damages, and Fences	2,480,156 36	
Passenger, Freight, and Water Stations and Wood Sheds	771,405 33	
Engine Houses, Car Sheds, and Turn Tables	164,713 98	
Machine Shops, including Machinery and Tools	133,283 50	
Interest paid during Construction, Dis- count, etc.	82,028 44	
Engineering, Agencies, Salaries, and other Expenses during Construction .	365,474 39	\$9,512,615 54
EQUIPMENT.		
79 Locomotives	\$382,000 00	
11 Snow Ploughs	7,000 00	
164 Passenger and Baggage Cars	392,275 00	
1,692 Merchandise and other Cars	460,955 00	\$1,242,230 00
Construction and Equipment		\$10,754,845 54
MATERIALS.		
Wood on hand	\$13,997 10	
Oil " "	1,499 55	
Waste " "	417 29	
Rails " "	69,926 50	
Ties " "	7,811 55	
Coal " "	21,503 80	
Car Shop. Stock on hand	21,557 52	
Engine Shop, Stock on hand	7,232 50	\$143,945 81
SUNDRY ITEMS.		
Cash	\$217,304 93	
Notes Receivable	142,379 75	
Boston and Maine Railroad Stock at par, Land and Improvements Dover and Win- nipegsee Railroad	27,000 00	
Dover and Winnipiseogee Railroad Stock, Steamer "Mt. Washington" and Wharves	26,502 73	
Danvers Railroad Bonds	69,260 24	
Danvers Railroad Account	125,000 00	
Lowell and Andover Railroad Better- ments	27,430 00	
Newburyport Railroad Stock and Bonds .	31,127 06	
	302,001 95	\$1,231,151 14
		\$12,129,942 49

Treasurer's Balance Sheet, Sept. 30, 1879. Cr.

LIABILITIES.

Capital Stock (received from sale of 70,000 shares)		\$6,921,274 52
Seven per cent Bonds due 1893	\$1,500,000 00	
" " " " " 1894	2,000,000 00	
Notes Payable	12,009 08	
Lowell and Andover Railroad Improvement Account	6,924 99	
Uncalled for Bond Interest	4,445 00	
" " Dividends	12,149 00	
Ledger Balances	44,146 49	
Profit and Loss	1,628,993 41	\$5,208,667 97

\$12,129,942 49

BOSTON AND MAINE RAILROAD.

The annual meeting of the stockholders of the Boston and Maine Railroad will be held at LAWRENCE, in the City Hall, on WEDNESDAY, the tenth day of December next, at half past ten o'clock A. M., for the following purposes, viz. :

1. To hear and act upon the report of the directors.
2. For the choice of directors for the ensuing year.
3. For the transaction of any other business which may be legally brought before them.

By order of the directors.

CHAUNCEY P. JUDD, *Clerk.*

Boston, Nov. 5, 1879.

Stockholders *only* will be passed free *to* and *from* the place of meeting, on exhibiting their certificates to the conductors.

The special stockholders' trains will leave Portland at 6.00 A. M., Great Falls at 7 A. M., and Boston at 9 A. M., for Lawrence; and will leave Lawrence for Boston at 12 M., and for Great Falls at 12.30 P. M.

Stockholders, returning to stations between Rollinsford and Portland, will take the trains which leave South Lawrence at 1.23 or 4.30 P. M.

Stockholders are requested to take passage in the trains provided for them, and thus avoid annoying passengers by crowding the regular trains.

Stockholders going from either direction, *beyond* Lawrence, will be charged regular fares between Lawrence and the stations to which they take passage.

By order of the Directors.

JAS. T. FURBER, *Gen. Supt.*

